

SCHOOL FACILITIES BOARD
May 5, 2005
Phoenix, Arizona

The School Facilities Board held a board meeting at the Balsz Elementary School District Board Room. The meeting began at approximately 10:00 A.M.

<u>Members Present</u>	<u>Guests Present</u>
Chovich, Cynthia	Jerry Carlisle- Indian Oasis USD
Davidson, Frank	Jan Langer-J.O. Combs ESD
Gober, Patricia	Pete Turner-Liberty ESD
Keenan, Brooks	Allen Shockley, Apache Junction USD
McGee, Kate, Chair	
Triphahn, Carl	
<u>Members Absent</u>	
Conley, Patrice	
Granillo, Peter	
Van Sittert, Logan	
Salazar, Vicki Superintendent's Representative (non-voting)	
<u>Staff Present</u>	
Tim Brand, Facilities Deputy Director	
John Arnold, Deputy Director of Finance	
Charlotte Hosseini, Special Projects	
Nancy Oyen, Assistant Attorney General	
Deborah Dominguez, Executive Assistant	
Kristen Landry, Public Information Officer	
Amber Peterson, School Finance Specialist	

- I. Call to Order
Board Chair, Kate McGee, called the meeting to order at approximately 10:05 A.M.
- II. Roll Call
Kate McGee introduced Patricia Gober who is the demographer representative for the Board. There were six Board Members present at this meeting.
- III. Approval of Minutes of April 7, 2005 Meeting
Frank Davidson moved that the Board approve the April 7, 2005 minutes. Brooks Keenan seconded. Motion passed on a 5-0-1 voice vote with Patricia Gober abstaining.

Approval of Minutes of April 21, 2005 Meeting

Frank Davidson moved that the Board approve the April 21, 2005 minutes. Brooks Keenan seconded. Motion passed on a 5-0-1 voice vote with Carl Triphahn abstaining.

The following items are listed in the order in which they appear on the agenda, not necessarily in the order in which they were discussed. Several items were reviewed out of order as they related to other items on the agenda.

IV. Director's Report

a. Deficiency Correction and Audit Update

Tim Brand discussed the status of the Deficiency Corrections Projects. Kate McGee asked how many schools were involved in the deferred deficiency corrections projects. Tim Brand stated that there were 309 projects, but there could be multiple projects at a particular school site. He did not know how many actual school sites were involved.

Charlotte Hosseini updated the board on the progress of the audit. She said that the preliminary hearing with the Office of Administrative Hearings regarding the SFB's claim against Kitchell took place April 14th. The SFB was successful in a claim against Kitchell regarding overpayment and in having our claim regarding site visits established as a separate issue. On April 26, the hearing regarding our right to audit Flagstaff Design and Construction was heard in Coconino County Superior Court, and the SFB was successful in that as well.

b. Full Day K Applications

Frank Davidson moved that the Board approve the revised Full Day Kindergarten Expenditure Plans for Indian Oasis Unified School District. Carl Triphahn seconded.

Patricia Gober asked for information on the technology items the District was requesting. Mr. Jerry Carlisle of the Indian Oasis District spoke on behalf of his district. He stated that this request is for new technology items that would allow students to view one computer onto a monitoring screen.

Motion passed on a 6-0 voice vote.

c. Solicitation of Comments and Approval of the Five Year Rule Review

John Arnold explained that the Policy Review Subcommittee is seeking comment regarding several existing rules that they believe should be revised. Comments are being solicited from the Board and general public and will be compiled into a single narrative that will be presented at the June Board Meeting for final approval, before the SFB submits it to GRRC.

Kate McGee asked staff to explain the difference between Rules and Policies. John Arnold explained that the Statutes are the law. Within those Statutes, the board and staff are given certain authority to implement the program. If in the program there is an intention to enforce a process, a rule is established. A policy is an operating procedure for day-to-day actions. Nancy

Oyen of the Attorney Generals Office added that Rules are a mechanism to enforce the power or responsibility the Statute gives.

Frank Davidson asked what the Board is being asked to vote on in this item. Mr. Arnold explained that the request is to move into the public comment period.

Kate McGee asked what the difference between Rules and Guidelines is. John Arnold stated that Guidelines are part of the Rules.

Cynthia Chovich asked if R7-6-401 affect the deferred deficiency projects. Mr. Arnold explained that this Rule was established for the general deficiencies corrections program, which has ended.

Patricia Gober asked if this was a state mandated template. Ms. Hosseini explained that these templates were developed by staff but the content was developed by the Governor's Regulatory Review Council. Ms. Gober requested that the actual rule or summary be included on each of the templates.

Brooks Keenan commented that the committee has made logical recommendations in their suggested revisions.

Kate McGee asked how additional rules could be added. Charlotte Hosseini stated that some rules for items such as Building Renewal and Emergency Deficiency Corrections projects could be added later. She added that currently the committee is only working on revisions to existing rules.

Frank Davidson asked what the schedule was for the rule review. Ms. Hosseini stated that staff will require Board approval before it is submitted by the June 30 deadline. Mr. Davidson verified that the Board does not need to see the exact language of the rules that are being revised, just the proposed rules to be changed, which Ms. Hosseini agreed.

Frank Davidson moved that the Board authorize staff to proceed with the Five Year Rule Review and seek public comment. Patricia Gober seconded. Motion passed on a 6-0 voice vote.

V. New School Construction

a. Consideration of 2005 Capital Plan New Construction Requests

Brooks Keenan moved that the board approve the following:

1. That the Board approve the staff recommendation to deny the district's request to cancel the previously-approved project 004N (core 6-8 middle school facility) for the J.O. Combs Elementary District.
2. That the Board approve the staff recommendation to revise the previously-approved project 004N from a core facility for 1,200 students

with classroom space for 600 to a complete facility for 1,000 students for the J.O. Combs Elementary District.

Jan Langer of the J.O. Combs Elementary School District spoke on behalf of her district. She stated that the District's Governing Board requested a 1200 student school, but would likely accept a school for 1000 students. She added that the district is concerned with the three-year-old funding that they will have to use to construct a school. Amber Peterson explained that if the project is hard-bid and the project runs over budget, staff would request additional funding. Ms. Langer added that the District would like to use their Qualified Bidder's List. John Arnold explained that if the project is within budget they may use the Qualified Bidder's List once they request permission from the SFB to use that Alternative Delivery Method. If it comes in over budget, they will need to hard bid the project.

Frank Davidson seconded. Motion passed on a 6-0 voice vote.

b. Other New Construction Issues

Revised 2005 New Construction Plan

Frank Davidson recused himself from this item as his district is listed in the plan.

Cynthia Chovich moved that the Board approve the 2005 New Construction Plan which includes conceptual new construction projects for FY 2008 through FY 2012. Brooks Keenan seconded.

Motion passed on a 5-0-1 voice vote with Frank Davidson recusing himself.

VI. Consideration of Request for Land or Real Property Purchase, Lease, or Donation, including requests from:

a. Steps I and/or II

Frank Davidson moved that the Board approve the following items:

1. Approve the Apache Junction Unified School District's request to accept a donation of 21 acres for a middle school site and move to Step III for necessary testing (project number 110243000-9999-007L).

2. Approve the Dysart Unified School District's request to accept a donation of 15.075 acres for an elementary school site and move to Step III for necessary testing (project number 070289000-9999-026L).

3. Approve the Laveen Elementary School District's request to accept a donation of 10 acres and purchase an additional 2.06 acres for an elementary school site and move to Step III for necessary testing (project number 070459000-9999-007L).

4. Approve the Liberty Elementary School District's request to purchase 15 acres for an elementary school site and move to Step III for necessary testing (project number 140432000-9999-008L).

5. Approve the Oracle Elementary School District to acquire 20 acres of State Land for an elementary site and move to Step III for necessary testing (project number 110302000-9999-002L).

Pete Turner, Superintendent of the Liberty Elementary District, spoke on behalf of his district and explained why the district was seeking a purchase as opposed to a donation of land.

Cynthia Chovich seconded. Motion passed on a 6-0 voice vote.

b. Step III

Brooks Keenan moved that the Board approve the Casa Grande Elementary School District's request to accept a donation of 15.238 acres for an elementary school site (project number 110401000-9999-004L).

Carl Triphahn seconded. Motion passed on a 5-0-1 voice vote with Frank Davidson recusing himself from this item.

Brooks Keenan moved that the Board approve the following items:

1. Approve the Litchfield Elementary School District's request to accept a donation of 20.12 acres for an elementary school site (project number 070479000-9999-008L).

2. Approve the Saddle Mountain School District's request to lease 13.5 acres of State Land for an elementary school site (project number 070390000-9999-004L).

3. Approve the Saddle Mountain School District's request to accept a donation of 12 acres for an elementary school site (project number 070390000-9999-006L).

Kate McGee asked if staff discusses the feasibility of a site with the District. Tim Brand explained that staff evaluates the feasibility of a site before seeking final approval. He added that the districts are notified in advance of construction if site issues are believed to occur. Patricia Gober asked if the timing of infrastructure is taken into account before accepting a parcel of land. Mr. Brand said that it is taken into account, but typically the acceptance of land is based on projections such as the information the developer provides. Brooks Keenan stated that the authority of the SFB to require that a site not have access issues is an interesting topic as the location of schools is a district decision. Because the SFB cannot fund off-site improvements, it becomes the responsibility of the district to find a site that does not need off-site improvements and if it does, the district may need to fund those improvements on their own.

Carl Triphahn seconded. Motion passed on a 6-0 voice vote

c. Other Land Issues

Apache Junction Unified

Frank Davidson moved that the board approve additional funding in the amount of \$17,000 for archaeological work in the Apache Junction School District. Patricia Gober seconded.

Carl Triphahn asked if a final cost to the archaeological testing was known. Kristen Landry explained that the funding the Board was approving today allows the archaeologist to complete the work plan. Once the plan is completed, it will go to the State Historic Preservation Office for comments and approval. After that point, staff will have a better idea how much more work is required. John Arnold added that once the work plan is complete, the SFB will still have some options as to what action to take on this parcel.

Frank Davidson asked why staff was looking to acquire this site when the district has not yet been approved for as many schools. Allen Shockley of the Apache Junction Unified School District explained that this particular site would hold a high, middle, and elementary school and the high school is needed most at this time.

Patricia Gober asked if this was near the Superstition Vista Development. Dr. Shockley stated that that development is further west, but this site will pick up a portion of students from that area.

Kate McGee asked to if because this is State Land, the SFB is dollars ahead in working to accept this site. John Arnold stated that by acquiring this site, would remove this parcel from the State Land Trust, so there is a cost to the State. But it would save money from the General Fund. When the SFB leases State Land, the dollars revert back to the SFB.

Cynthia Chovich asked what the community's response has been. Dr. Shockley explained that the community has been very supportive and there have not been a lot of concerns with the archaeological issues.

Motion passed on a 6-0 voice vote.

VII. Assessment Deficiencies

a. Consideration of Ratification of Contracts for Deficiency Corrections Projects

Brooks Keenan moved that the Board ratify the contracts for the districts and vendors listed under agenda item VII.a. Frank Davidson seconded. Motion passed on a 6-0 voice vote.

b. Consideration of Ratification of Change Orders for Deficiency Corrections Projects

Frank Davidson moved that the Board ratify the change orders for the districts and vendors listed under agenda item VII.b with the exception of Washington Elementary District. Brooks Keenan seconded.

Brooks Keenan commented that Phoenix Union had a bid protest and in that time period construction costs rose by 16%

Motion passed on a 6-0 voice vote.

Kate McGee recused herself from this item as her district is on this agenda item; Frank Davidson chaired this item. Patricia Gober moved that the Board ratify the change orders for the Washington Elementary District as listed under agenda item VII.b. Cynthia Chovich seconded. Motion passed on a 5-0-1 voice vote with Kate McGee recusing herself.

VIII. Preventive Maintenance

Consideration of Preventive Maintenance Plans

Frank Davidson moved that the Board approve the School Districts Preventive Maintenance Plans as presented in Item VIIIa. Carl Triphahn seconded.

Patricia Gober asked how staff was tracking down districts that have not yet submitted. Tim Brand stated that staff has contacted districts and even visited some districts to assist them with their plans. Ms. Gober asked if there were any sanctions if a plan was not complete. Mr. Brand stated there was not.

Motion passed on a 6-0 voice vote.

IX. Consideration of 5 Year Building Renewal Plans

Brooks Keenan moved that the Board approve the districts' Five Year Building Renewal Plans as listed in item IX.

Carl Triphahn asked when the deadline to submit these plans was. Tim Brand said the deadline was October 15, 2004 and if the plans are not submitted, the districts do not receive their Building Renewal monies.

Frank Davidson seconded. Motion passed on a 6-0 voice vote.

XII. Finance/ Legislative/ Budget Report

a. Financial Update

John Arnold provided information on the Deficiency Corrections Fund, Emergency Deficiencies Fund, New Construction Fund, and Lease-to-Own history.

Kate McGee asked if the money recovered from the audit was included in the budget sheets. Mr. Arnold stated that they are not included as the Board has not yet received that money.

b. Legislative Update

John Arnold updated the Board on the current House & Senate bills.

XIII Future Agenda Items

Kate McGee suggested having a study session in July since a regular board meeting will not be held.

XI. Public Comment

There was no public comment.

Adjournment

There being no further business, Kate McGee, adjourned the meeting at approximately 12:05 P.M.

Approved by the School Facilities Board on _____, 2005

Kate McGee, Chair